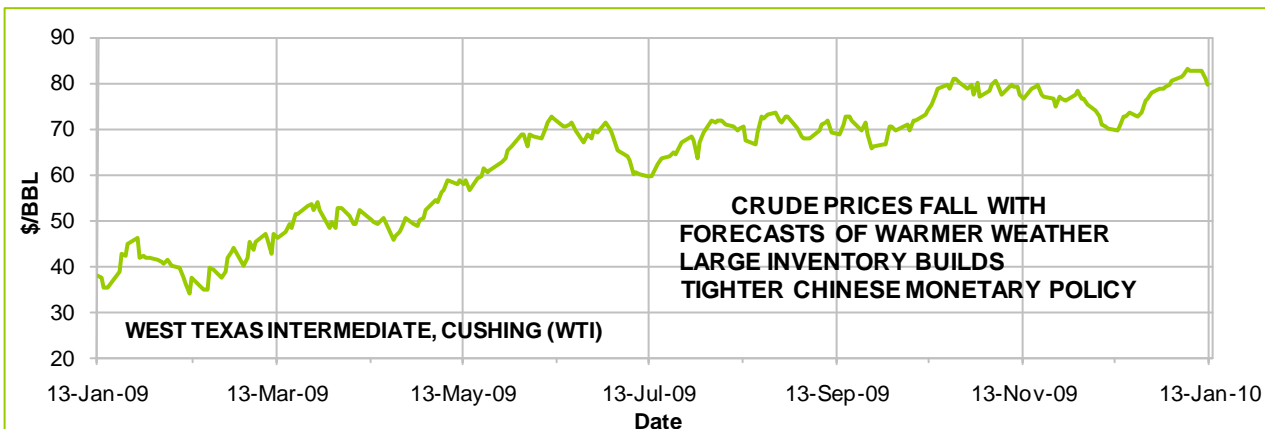


Crude Oil



Although domestic production fell by 0.2 and crude oil inputs to refineries rose by 1.5%, an increase in imports of 6.5% resulted in a surprisingly robust increase in crude inventories of 3.7 million barrels this past week. This was three times the expected gain and is in sharp contrast to the 5-year average decline of 0.4 million for this time of year. Crude stocks are now 1.4% above last year and 7.6% above the 5-year average. Current inventory levels are at their highest level for this date since 1995.

Reversing weeks of price increases, crude prices reacted sharply to the inventory gains of crude oil and refined products. Spot prices fell by \$3.46 this past week to \$79.63, \$41.89 (111%) higher than a year ago but 45.2% lower than 2008's peak price. Futures prices closed yesterday at \$82.51, up \$3.41 for the week. They are \$29.92 (56.9%) higher than last year but 43.7% below 2008's peak price.

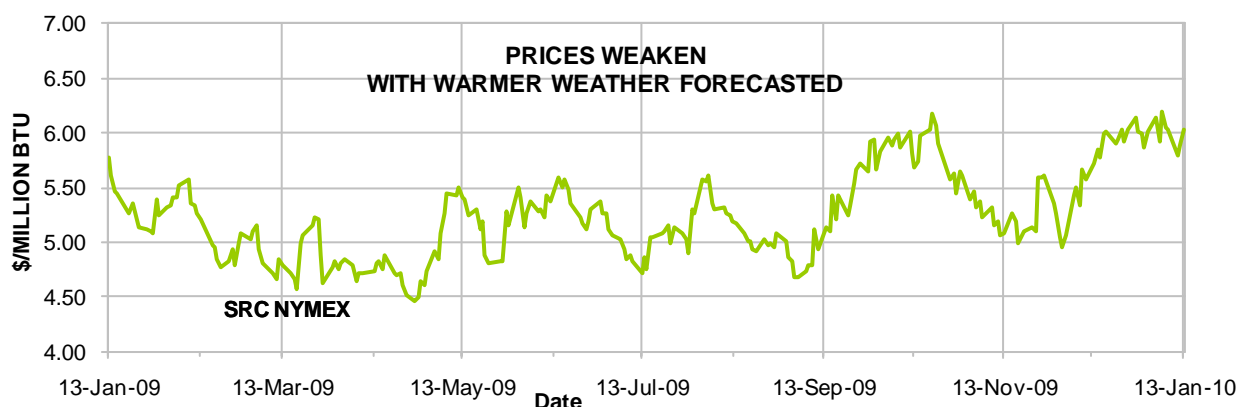


Natural gas



Natural gas inventories fell by 266 BCF this past week as severe winter weather lead to a record high withdrawal of natural gas for this time period. The decline was 250% greater than the five-year average decline. Cumulative inventory withdrawals for this heating season are 46% above the 5-year average. At 2,852 BCF, this week's inventory levels are no longer at record highs. Stocks are only 3.7% higher than a year ago and 4.4% above the five-year average.

Frigid winter weather and large inventory draws had driven prices higher over the past 5 to 6 weeks but more moderate weather and forecasts of warm weather have reversed this trend. Futures prices fell by 16.6 cents per million BTU this past week. The 12-month strip settled yesterday at \$6.025 per million BTU, 4.2% higher than a year ago but 54.8% below the 2008 peak. With a decrease of 81 cents this past week, spot prices fell to \$5.610 per million BTU yesterday. Spot prices are 1.9% lower than a year ago and 57.9% below their 2008 peak price.

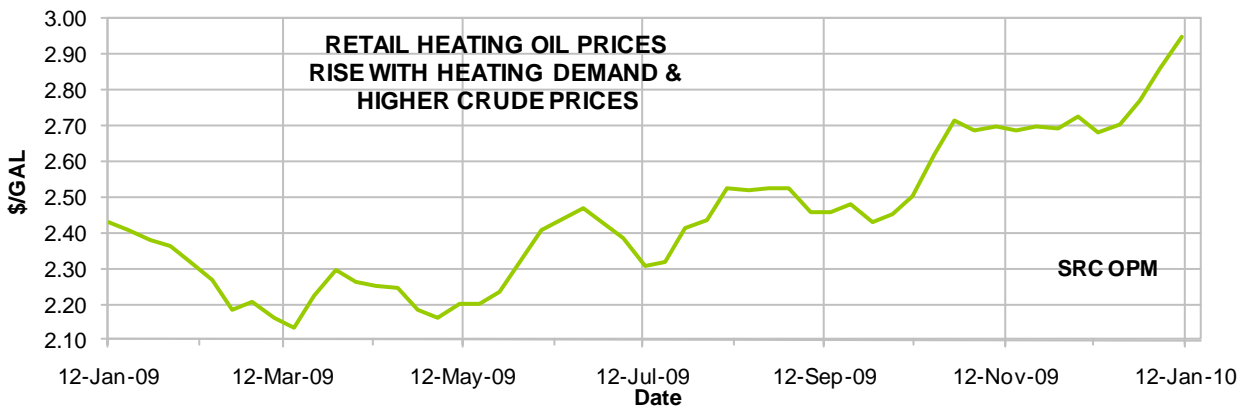


Heating oil



Distillate stocks rose by 1.4 million barrels this past week compared to an expected decline of 1.8 million. Although demand was up by 1.9%, production rose by 1.2% and imports increased by 86%. Inventory levels are now 12.0% above last year and 19.5% above the five-year average.

The 12 month strip fell by 10 cents this week and is now at \$2.167/gal, 57 cents (35.4%) higher than a year ago. The spot price fell by 11.7 cents and is at 2.081 /gal, 56 cents (36.9%) above last year. The spot price is 37% below its 2008 peak and the 12 month strip is 48% below its 2008 peak. After rising by 8.7 cents last week, Connecticut retail heating oil prices rose another 9.2 cents this past week. Increased heating demand and higher crude prices have pushed heating oil up by 25.4 cents in the past month. At \$2.950/gal, prices are 52.2 cents (21.5%) above a year ago but are \$1.82 (38.1%) below the 2008 peak price. The highest price in this week's survey was \$3.499 and the lowest was \$2.650. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
12-Jan-09	2.612	2.999	2.399	2.407	3.490	2.060	2.441	2.599	2.269
28-Dec-09	2.912	3.290	2.500	2.754	2.999	2.480	2.854	3.179	2.639
4-Jan-10	2.981	3.299	2.640	2.854	2.999	2.660	2.941	3.199	2.729
11-Jan-10	3.075	3.499	2.740	2.924	3.099	2.740	3.004	3.299	2.789
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
12-Jan-09	2.261	2.399	2.100	2.499	2.699	2.299	2.322	2.599	2.190
28-Dec-09	2.783	2.879	2.649	2.755	2.899	2.640	2.674	2.799	2.550
4-Jan-10	2.913	2.999	2.799	2.848	2.999	2.699	2.784	2.899	2.700
11-Jan-10	2.993	3.099	2.899	2.949	3.099	2.790	2.878	2.979	2.800
	NEW HAVEN								
	AVG	HIGH	LOW						
12-Jan-09	2.388	2.699	2.059						
28-Dec-09	2.685	2.940	2.430						
4-Jan-10	2.773	2.959	2.530						
11-Jan-10	2.872	3.099	2.650						

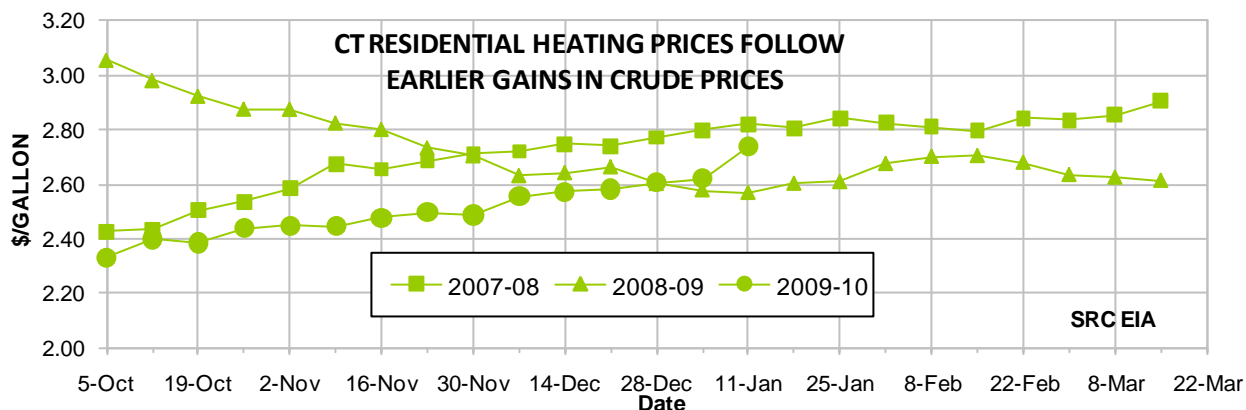
OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning January 11, 2009. Figures reflect per gallon prices without discount.

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



With higher than normal heating demands, propane inventory levels declined by 3.5 million barrels this past week compared to the five-year average decline of only 2.4 million. Since October 9th inventories have fallen by 27.0 million, 113% greater than the 5-year average decline. Current storage levels now trail last year's levels by 15.1% and they have worsened to 14.8% below the five-year average. Monday's Connecticut retail propane heating price survey showed an average price of \$2.737/gal, 11.5 cents/gal higher than the previous week. Prices are 6.6% (16.8 cents) higher than a year ago but 10.5% (32 cents) lower than the peak 2008 price. Propane spot prices were 17.1 cents lower this week, settling at \$1.252 per gallon yesterday. This was 48.2 cents (62.5%) higher than a year ago but 36.7% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



Gasoline



Inventories rose by 3.8 million barrels this week as flat demand and an increase in imports offset a decrease in production. The inventory gain was 3 times what was expected and 30% higher than the five-year average. Inventories levels are 4.8% above last year and 4.7% above the five-year average.

Wednesday's spot price was \$2.055/gal, 94 cents (83.8%) higher than last year. The 12-month strip, at \$2.136/gal, was 82 cents (61.8%) higher than a year ago. Connecticut retail prices have risen by 13.5 cents over the past 3 weeks as prices followed the rise in crude oil prices. At \$2.908/gal, retail prices are \$1.077 (58.8%) higher than a year ago but 33.8% below 2008's peak. While spot prices have risen by 21.8 cents/gal over the past 5 weeks, Connecticut retail prices have only risen by 9.5 cents because of continued weak demand.

